Time is Ticking for the Highway Trust Fund

At the end of May, the Highway Trust Fund is set to expire. In spite of this looming deadline, Republicans in the House and Senate have yet to put forward a plan to reauthorize the Trust Fund. Instead of working with Democrats to take action, Republicans have ignored the need for a long-term surface transportation bill for ten months – since the last short-term extension was passed – perpetuating uncertainty and preventing states from being able to plan and budget effectively. Now, with the Highway Trust Fund set to expire in the middle of construction season, jobs across the country are being put at risk.

Here's a breakdown of what Republicans' latest manufactured crisis means for American families and businesses:

Aging Infrastructure in Need of Repair

- 54% of our major roads are rated poor or mediocre. [Department of Transportation <u>Fact Sheet</u>]
- One out of every four bridges more than 147,000 bridges in the United States is structurally deficient or functionally obsolete. The average age of our nation's bridges is 42.
- 45% of Americans don't have access to transit. [Department of Transportation <u>Fact Sheet</u>]
- Federal land management agencies need over **\$11 billion** to address deferred maintenance needs on our roads and bridges.
- The Federal Highway Administration (FHWA) estimates that the cost of upgrading and repairing our deteriorating bridges is **\$106 billion**.
- The American Society of Civil Engineers gave U.S. infrastructure an overall grade of D-.

Consequences of Congestion

- According to the 2013 ASCE report, **42%** of America's major urban highways remain congested.
- Congestion costs commuters \$121 billion in wasted time and fuel, or an average of \$818 per commuter.
- In 2011, congestion caused urban Americans to travel **5.5 billion** hours more and to purchase an extra **2.9 billion** gallons of fuel.

[Unless otherwise noted, all figures from Highways & Transit Subcommittee Fact Sheet]

Meanwhile, there is broad support for investing in our nation's infrastructure, which is in desperate need of repair and modernization:

Co-chairs of the Former Governors Caucus, Senators Mike Rounds (R-SD), Angus King (I-ME), and Jeanne Shaheen (D-NH): "Yet in a time of increasingly strained resources and budget sequestration, this bipartisan tradition of investment in infrastructure has been threatened by chronic underfunding and a patchwork system of infrastructure funding mechanisms... By not fully funding our infrastructure networks, our families' livelihoods are jeopardized and our small businesses risk becoming less competitive. Not only are our ports, bridges, and highways failing to accommodate increased traffic, our power grids, water mains, broadband networks, and other commonplace features of everyday life are struggling to adapt to the 21st century. Failure to address these growing funding crises could cost the average American family up to \$1,000 annually, lead to nearly 900,000 jobs lost,

Office of Democratic Whip Steny H. Hoyer, 5/12/15

and cause U.S. GDP to underperform by almost \$900 billion by 2020... Large infrastructure projects require years of planning and stability, not the short-term budget fixes that have become common in recent years. Transportation and infrastructure investment yields almost \$2 in direct and indirect economic output for every \$1 spent, yet our infrastructure decision making consistently defers this promise of future prosperity. As long as our nation's infrastructure funding is dependent on short-term electoral cycles, our national economy will suffer. Groups across the political spectrum are calling for Congress to put politics aside to fully fund infrastructure." [Letter, 5/11/15]

Governor John Hickenlooper (D-CO), Chair of the National Governors Association: "To be frank, too little federal investment in infrastructure is handicapping U.S. business in global markets... What was new 65 years ago now has to be rebuilt or repaired... Governors know that you can't build a competitive economy without the foundation provided by modernized infrastructure." [The Fiscal Times, 1/6/15]

Governor Gary Herbert (R-UT): "If Congress does not act early this year, federal reimbursements from the Highway Trust Fund for state spending on contracted transportation projects are at risk as soon as this spring. Additionally, unless Congress reauthorizes or extends federal surface transportation laws and programs, they too will expire on May 31 of this year... The uncertainty created by these two pending events will leave jobs and economic growth at risk in all of our states." [The Fiscal Times, 1/6/15]

<u>Chamber of Commerce</u>: "We are calling on Congress to pass a long-term, fully-funded bill that will, at a minimum, maintain current federal funding levels for roads, bridges, public transportation and highway safety." [Blog Post, <u>4/8/15</u>]

<u>Ed Wytkind, President of the AFL-CIO Transportation Trades Department</u>: "Years of congressional inaction on a long-term surface transportation bill has harmed our economy... [Congress needs to] get to work on a robust long-term bill that expands investments and job creation, and is paid for with a sustainable revenue stream." [The Hill, 5/7/15]

House Republicans also disinvested in infrastructure in their unrealistic, unworkable budget:

In addition to ignoring the need for long-term, sustainable funding for infrastructure repairs and improvements, House Republicans also passed an irresponsible budget that puts funding for important infrastructure programs like TIGER grants at risk and slashes transportation funding by \$187 billion over 10 years.

With the clock ticking, it is time for Republicans to work with Democrats to meet our nation's surface transportation needs and address the infrastructure backlog. If Republicans fail to act, it will deprive state transportation departments of their expected funding stream that enable them to plan ahead for highway, transit, and pedestrian projects that grow our economy, provide well-paying jobs for hardworking Americans, and encourage more businesses to invest here at home.